

Code of Conduct for Suppliers

Success, Responsibility and Sustainability



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Dear STIEBEL ELTRON Partner,

in our daily business activities, we seek to combine economic success with social responsibility and environmental protection, with the aim of creating a sustainable future for our customers, and society as a whole.

We combine our own strengths with the expertise of our suppliers in order to satisfy the requirements and wishes of our customers worldwide. At the same time, we take care to ensure that the health and safety of all employees is guaranteed, the high quality of our products is assured, the environment and its resources are preserved, and ethical principles are fully observed.

We expect our suppliers, service providers and partners to assume this same level of responsibility. This Code of Conduct describes the principles and requirements of STIEBEL ELTRON in relation to its suppliers and has the objective of achieving compliance with national social and environmental standards, as well as legal requirements. In the organisation of our business relationships, STIEBEL ELTRON monitors compliance with these minimum standards.



Dr. Nicholas Matten



Dr. Kai Schiefelbein



Quality

- › STIEBEL ELTRON expects that generally accepted or contractually agreed quality requirements will be met by you in order to satisfy the requirements of our customers worldwide.
- › You are responsible for controlling and maintaining your work processes, thereby guaranteeing an appropriate level of process reliability.
- › You implement a continuous improvement process and thus ensure permanent quality improvement.

Ecological sustainability

- › You comply with all applicable environmental legislation and regulations, and encourage environmentally conscious conduct in your employees.
- › You promote environmental compatibility in the development, production, transportation, usage and disposal of your products and contractual services.
- › You use natural resources efficiently and sparingly, employ energy efficient and environmentally responsible technologies, and minimise your volume of waste and emissions to the air, water and ground.
- › You contribute to the recycling of materials and observe the requirements of European directives, such as RoHS and REACH.
- › You comply with all relevant laws and regulations for the handling, storage and disposal of hazardous substances and deal with chemicals in an environmentally compatible manner.
- › You make all reasonable efforts to keep the impact of your products and contractual services on the environment as low as possible, and thus ensure the continuous prevention and reduction of environmental pollution.



Occupational health and safety

- › You offer your employees a safe work environment with no health risks and undertake to observe the relevant accident prevention regulations and occupational safety regulations.
- › You protect the life and health of your employees to the greatest extent possible from risks and dangers that arise from your production processes, contractual services and products, thereby ensuring safe and healthy working conditions.
- › You subject your business processes and workflows to regular risk analysis, identify potential hazards and take appropriate countermeasures.
- › You raise employee awareness regarding the observance and importance of occupational safety and motivate them to make an active contribution.
- › You offer your employees regular and appropriate information and training relating to occupational safety and dealing with dangerous machines and substances, or you provide your employees with regular instruction.
- › You ensure that your employees wear and use the safety equipment provided.



Compliance, integrity and legal conformity

- › You accept our Code of Conduct or maintain a set of rules for compliance with comparable standards.
- › You observe all applicable national and international antitrust and trade control & restriction regulations, such as embargoes or sanctions, and act fairly towards your competitors. You neither take part in antitrust agreements with competitors nor misuse your potentially dominant market position.
- › Confidential information is used in an appropriate manner and protected by you from unauthorised access. You always treat business correspondence as confidential and ensure the intellectual property rights of your customers and suppliers.
- › You discourage any form of corruption or bribery. You and your employees act in such a way that no personal dependency, obligation or influence arises.
- › You do not partake in money laundering activities and observe the relevant legal obligations for the prevention of money laundering.

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- › You observe the regulations of the German Employee Secondment Act [AEntG], the payment of minimum wages where required by law, and the current versions of statutory regulations to prevent illegal employment, in particular where this takes the form of undeclared labour (German Act on Combating Clandestine Employment [SchwarzArbG]), illegal supply of temporary workers (Section 1b of the German Act on Temporary Employment Businesses [AÜG]), illegal employment of foreigners (Section 39 of the German Residence Act [AufenthG] and Sections 284-288 of the German Social Code, Book III [SGB III]) and abuse of benefits (Section 60 of the German Social Code, Book I [SGB I]).

Social and ethical responsibility

- › You observe and respect the cultural, social, personal and political diversity of society, advocate compliance with internationally applicable human rights and always treat your employees fairly and respectfully, with dignity and equality.
- › You respect your employees' rights of association.
- › You actively discourage any kind of harassment in the workplace.
- › The remuneration of your employees corresponds to, at least, the statutory minimum wage or that prescribed in the respective branch of industry. Payroll deductions as a form of disciplinary action must comply with legal regulations. The remuneration paid must suffice to ensure a reasonable standard of living for your employees.
- › Weekly working hours must not exceed the legally prescribed maximum.

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- › Taking account of relevant national and international statutory provisions (e.g. ILO and the United Nations Convention), you do not tolerate any forced or child labour and effectively prevent any workplace discrimination.
 - › You undertake to disclose the use of conflict minerals. At the request of STIEBEL ELTRON, you establish whether conflict minerals such as tin, tantalum, tungsten, gold or other raw materials are contained in your products or services, which are designated as „conflict minerals“ in accordance with the relevant US stock market supervisory authority. You take necessary action to avoid the use of such minerals from conflict countries in the future.

Monitoring and sanctions

- › Please ensure that these regulations are observed. This includes the information relating to the requirements of this Code of Conduct to all employees, associated companies and subcontractors. Please consider implementing appropriate management systems in order to ensure compliance with the principles set out here, and certify these in accordance with recognised standards. STIEBEL ELTRON will prefer suppliers who actively, and demonstrably, operate a management system that supervises quality, environmental impact, energy efficiency, working conditions and health and safety.
- › STIEBEL ELTRON is responsible for advocating compliance with these principles. We therefore reserve the right to review your adherence to the requirements of the Code of Conduct for Suppliers, following a reasonable notice period, either ourselves or with the assistance of an independent organisation. You will be informed of the results. If non-compliance is established, you are obliged take appropriate corrective action within a reasonable period. We reserve the unconditional right to terminate the business relationship in the event of infringement of this Code of Conduct. Such infringements are considered to be an important, justifiable cause for extraordinary termination.

IT IS IMPORTANT TO US TO ENSURE SUSTAINABLE DEVELOPMENT FOR THE BENEFIT OF FUTURE GENERATIONS. AS PART OF OUR SUPPLY CHAIN, YOU ARE ALSO RESPONSIBLE FOR THIS.

Thank you for your support and understanding.

The point of contact for corporate compliance is Andreas Campe at:

Andreas Campe
Dr.-Stiebel-Straße 33
37603 Holzminden, Germany

Tel.: +49 (0)5531 702 95572
Email: andreas.campe@stiebel-eltron.de
corporate-compliance@stiebel-eltron.de

STIEBEL ELTRON GmbH & Co. KG
Dr.-Stiebel-Straße 33
37603 Holzminden, Germany

www.stiebel-eltron.de